



# NEWS RELEASE

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CALIFORNIA STATE TREASURER PHIL ANGELIDES

**FOR IMMEDIATE RELEASE**  
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**Contact: Mitchel Benson**  
**(916) 653-4052**

**TREASURER ANGELIDES JOINS SANTA CRUZ OFFICIALS,  
COLLEGE STUDENTS AT RALLY OPPOSING GOV. SCHWARZENEGGER'S  
BUDGET PLANS**

*Treasurer, Speaking at UC-Santa Cruz Rally, Says Budget Cuts to State Universities and  
Colleges Will 'Mortgage Our Children's Future'*

SANTA CRUZ, CA – State Treasurer Phil Angelides, saying that students are “the heart and soul of California’s future,” today made the fourth stop on his statewide effort opposing Governor Arnold Schwarzenegger’s budget plans that “will force future generations to pay for today’s wrong-headed mistakes.”

In this effort, the Treasurer has traveled the State and spoken forcefully against the Governor's \$15 billion deficit borrowing plan, which was defeated in the Legislature late Friday night, and against cuts to California's renowned higher education system because these proposals "would mortgage our children's future."

Angelides, speaking at a rally at the University of California, Santa Cruz, urged students and educators to contact the Governor and their lawmakers, and let them know that the Governor's budget plans "will take this state in the wrong direction at a time when we all must be focusing on building our economy for the 21st Century." The Treasurer kicked off his statewide effort last week in Sacramento and, after that, traveled to Los Angeles and San Diego, saying he needs to take his case to the people so they fully understand the impact of the Governor’s proposals on future generations of Californians.

“Now is not the time to mortgage our children’s future but to invest in it,” Angelides said. “The Governor should not be focusing on selling bonds to pay off debt, but on bonds that finance first-class schools and universities. And the governor should not be cutting higher education programs but ensuring that critical investments are made in our schools and universities to help train a globally competitive workforce for generations to come.”

The Treasurer’s visit to UC-Santa Cruz comes as the Legislature is about to consider Schwarzenegger’s \$3.8 billion in cuts this year and next – including cuts to higher education, assistance to the developmentally disabled, food stamp assistance, and a variety of health and health insurance programs targeted at the young and those Californians most needing the help.

Of the total cuts proposed, the Treasurer pointed out that Governor Schwarzenegger has proposed \$319 million in cuts to the University of California and California State University systems. Those proposed cuts include the elimination of state support for outreach programs designed to encourage high school students throughout the State to enroll at UC-Santa Cruz and other UC and CSU campuses.

“Clear and simple, the Governor’s proposed cuts to education, like his now-rejected plans for deficit borrowing, will diminish California’s economic strength in the years ahead,” the Treasurer said. “The Governor wanted to saddle our children with debt for 30 years, and now he is proposing to hamstring our great public universities and colleges at the very time when enrollment is growing throughout the state and when we have a need to remain globally competitive and help students become successful, taxpaying Californians.”

The Treasurer expressed particular surprise at the Governor’s proposed cuts to higher education and the State’s Healthy Families health insurance program for the children of working Californians, considering that the Governor said on the campaign trail that he would “Put our children first,” “Protect education funding for our children’s future,” and asserted during a candidate’s debate in September that “we have to make sure that every child in California is insured.”

Angelides’ visit to UC-Santa Cruz also comes in the wake of the Legislature’s defeat late Friday of the Governor’s proposal to sell up to \$17 billion in deficit bonds, yielding net proceeds of \$15 billion over 30 years that the Treasurer had strongly opposed. The Governor suffered a missed opportunity, the Treasurer said, when he refused to accept a more sensible, considerably less costly proposal that would have financed up to \$15 billion in bonds, yielding net proceeds of \$13.2 billion - \$14 billion, over an estimated 7 years. The compromise proposal would have cost taxpayers approximately \$17 billion less in principal and interest than the Governor’s original debt plan.

“This is an important debate for the future of California,” Angelides told the crowd assembled on the UC-Santa Cruz campus. “The people have a right to hear all sides of this issue, which could affect California families and our economy for years to come. Come January 10, the Governor must lay out how he intends to balance the budget, consistent with his pledges to protect education, healthcare for children, and public safety. And I will continue to do my job, fighting for a truly balanced budget that improves the lives of California families and strengthens our State and our economy.”

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